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7 MEACHUN SCOTT,
8 Plaintiff,
9 v.
10 THOMSON REUTERS CORPORATION,
11 et al.,
12 Defendants.

13 Case No. [25-cv-04103-RS](#)
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16 **ORDER GRANTING MOTION TO**
COMPEL ARBITRATION

17 Plaintiff Meachun Scott alleges she was denied a business loan by defendant SmartBiz
18 Bank, N.A. on the basis of information provided by defendant Thomson Reuters Corporation, a
19 “company that provides background screening services, including but not limited to criminal
20 background checks and credit checks to various entities.”¹ Scott asserts claims against Thompson
21 Reuters for allegedly violating the Fair Credit Reporting Act by failing to take reasonable
22 measures to ensure the information it reported was accurate, and for failing to provide Scott with a
23 copy of her “full file” upon demand. Scott alleges SmartBiz violated the Equal Credit Opportunity
24 Act by discriminating against her on the basis of race.

25 _____
26 ¹ On August 6, 2025, Scott filed a First Amended Complaint, without leave of court. Whether that
27 complaint was properly filed or not, however, it does not alter the outcome of this motion. The
28 amended complaint merely substitutes West Publishing Corporation for Thompson Reuters as a
defendant, based on an allegation that “Thompson Reuters Clears” is actually a “service” provided
by West, rather than a separate entity.

1 SmartBiz moves to compel arbitration as to the sole claim alleged against it. In opposition,
2 plaintiff makes three basic arguments. First, SmartBiz contends the parties' agreement only makes
3 arbitration "mandatory," if one of the parties "elects arbitration pursuant to this arbitration
4 provision." Because plaintiff initiated this action without exercising her right to pursue arbitration,
5 SmartBiz's motion to compel arbitration represents its election to enforce its right to arbitration.

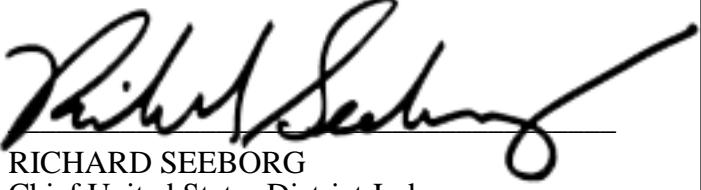
6 Second, plaintiff argues that if SmartBiz is not deemed to be the party that "elect[ed] and
7 initiat[ed] arbitration, plaintiff could be saddled with the costs of arbitration, which might then
8 bear on the unconscionability of the arbitration provision. There would be no basis, however, to
9 conclude plaintiff had "elected and initiated" arbitration if plaintiff filed in court and then
10 defendant's motion to compel arbitration was granted (over plaintiff's objection). Furthermore,
11 SmartBiz has shown that under the rules of JAMs, a consumer party such as plaintiff would be
12 required to pay no more than a \$250 filing fee, even if deemed to be the initiating party. Plaintiff
13 therefore has made no showing that the arbitration agreement is unconscionable.

14 Finally, plaintiff contends SmartBiz failed to show she actually checked the box on its
15 website acknowledging her acceptance of the arbitration agreement. The declaration of SmartBiz's
16 Chief Technology Officer, Louis daRosa, provides sufficient foundation and explanation to show
17 that plaintiff did expressly accept the agreement.

18 SmartBiz's motion to compel arbitration of plaintiff's claim against it is granted. Litigation
19 as to that claim is stayed pending the arbitration. Because the claims against Thompson
20 Reuters/West Publishing appear to be independent of the claim against SmartBiz, those claims
21 will not be stayed and the Initial Case Management Conference set for November 20, 2025 shall
22 go forward as scheduled.

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1 IT IS SO ORDERED.
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3 Dated: August 19, 2025
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RICHARD SEEBORG
Chief United States District Judge

United States District Court
Northern District of California